

REGIONAL TRANSPORTATION AUTHORITY
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DISCUSSION MEMORANDUM
PROPOSED PROGRAM AND BUDGET
FISCAL YEAR 1976

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DISCUSSION MEMORANDUM
PROPOSED PROGRAM AND BUDGET
FISCAL YEAR 1976

Part I Public Transportation Program

Part II Fiscal Year 1976 Budget

June 2, 1975

INTRODUCTION

On January 31, 1975, the Regional Transportation Authority formally adopted and submitted to the governor a proposed program and budget for fiscal year 1976, the twelve-month period that begins on July 1, 1975. Public hearings are scheduled to be held on that document over the next several weeks.

Since January, however, the RTA has reexamined the need for new transportation services in the region, and has drafted the following proposals for consideration at the public hearings.

Pursuant to the statute that created the RTA in 1974, before any program or budget can become final, it must be submitted to a series of public hearings in each of the six counties of the region. This is required by law. The final and official budget is only drafted following these hearings.

The RTA is thoroughly committed to the concept of citizen participation. Indeed so much so that, in advance of the legally mandated public hearings, a lengthy series of preparatory meetings was held throughout the six county region. RTA Board members attended these sessions and explained how the new Authority was establishing itself. Yet more importantly, they listened. They listened, of course, to the planners and the municipal officials and the operators of local bus companies. But they also listened to ordinary citizens, to ensure that the new transit services which the RTA will soon be providing will be the kind of public transportation the public needs and wants.

The RTA pledges itself to continue the concept of citizen participation in a serious and important way. This document, for instance, contains many proposals for new and improved bus service. These, it is hoped, have been developed from suggestions received during the many meetings already held. But before any of them will be implemented, there will be more consultation and exchange of views. New service will never be implemented that has not been thoroughly reviewed and approved by the affected community.

While the RTA is still a very new agency, it has made its mark on the public transportation services of the six county region. No longer do Chicago residents live in fear of continual fiscal crises on the CTA. Commuter railroad service has been stabilized, and fares have been held level, despite a period of unparalleled national inflation. And many of the smaller bus companies in the suburbs that are the only means of mobility for the elderly, and others, would have gone completely out of business during the past year without the RTA.

This proposed program and budget will move the RTA into its second phase. Instead of merely stabilizing existing service, new and improved services will be implemented. In addition to holding the line on fares, bold experiments will be undertaken that will actually lower some fares.

The goal, through all of this, is to build on the base of Chicago's already excellent system of public transportation, a network that will be the finest in the world. Nothing less is worth seeking; nothing less should be accepted.

PART I

PUBLIC TRANSPORTATION PROGRAM

<u>Program</u>	<u>Tab No.</u>	<u>Annual Cost</u>
New Incentive Fare Programs	1	\$ 2,800,000
Expanded Commuter Railroad Service	2	1,850,000
New Bus Routes	3	6,589,000
New Short-term Facilities	4	4,250,000
New Transit Marketing Programs	5	920,000

		\$16,409,000
		=====
Regional Capital Program	6	

NEW INCENTIVE FARE PROGRAMS

Many transit systems throughout the country have been able to attract additional riders by offering selective fare incentives. While the RTA does not wish to jeopardize its revenue position by recklessly slashing current fares, a series of experiments will be undertaken to make mass transit easier to use and to encourage new ridership during those times when capacity is available.

1. The Universal Commuter Pass--under this program a "super" version of existing railroad unlimited monthly tickets will be sold for \$10.00 over the current price. It will also be valid on all RTA bus routes--both suburban and urban.

It is difficult to project the impact this program will have on current revenues. It is designated to promote additional sales of the unlimited monthly ticket, a ticket that should be promoted heavily in any event. Precise mechanism for reimbursing those bus lines whose deficits are not 100% funded by the RTA will be worked out.

The maximum negative impact this program will have on current revenue is estimated to be \$300,000 annually.

2. The Annual Pass--this experimental program is designed to encourage greater use of mass transit. For \$100 per annum a pass will be sold that permits as many rides on RTA buses and rapid transit as the bearer can manage for but 10¢ a ride.

It is even more difficult to project the impact this program will have on revenue--but it will be monitored carefully through surveys. Based on experience in both Pittsburgh and Boston, a minimal decrease in revenue is projected from this program--namely \$200,000. This program will readily lend itself to sales through major employers using the mechanics of payroll deduction.

(Of course all existing CTA incentive fare programs will be retained. Indeed they will be promoted with new emphasis, and the RTA will continue to explore possible new fare incentives for its large urban market.)

3. A Day in Town--initially this program will be implemented one day a month. It will involve the sale of a round trip commuter rail ticket to and from Chicago for the price of a one-way ticket plus 10¢. Additionally, the ticket will permit free rides around Chicago on CTA buses. It will not be good on peak hour trains. This program can easily be expanded if it proves to involve no significant drain on revenue. Impact on revenues--\$25,000 per year based on twelve days per year.

4. Family Ride on the House--this is also an effort to encourage greater use of the pay-in-advance unlimited monthly ticket. For each unlimited monthly ticket sold to a commuter, the commuter can take his family on a round trip to Chicago totally free on a Saturday or Sunday during the following month. Impact on funds will be \$50,000.

5. McHenry County Special Fare--for any railroad ride totally within McHenry County, a flat fare of 50¢ will be charged. No impact on revenue.

6. Handicapped and Elderly Program--as a precondition for receipt of Section 5 UMTA funds, the RTA must implement off-peak half-fares for the handicapped and elderly on all services. Total impact on revenues is estimated to be \$2,225,000.

Total annual impact on revenues from incentive fare programs:

Mandatory program	\$2,225,000
Optional programs	575,000

Total	\$2,800,000
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Summary--The incentive fare programs are designed to encourage use of pay-in-advance tickets, and also stimulate off-peak ridership. The RTA will continue to explore all possible avenues for more imaginative approaches to the question of transit fares.

EXPANDED RAIL SERVICE

The present size of the RTA commuter rail fleet limits the amount of new service that can be implemented during the peak hours. Pending capital improvement programs will begin to rectify this problem, but for fiscal year 1976 the most likely targets for improved commuter rail service are the off-peak hours. The goal is to operate hourly service on all the major routes during the midday hours.

<u>Railroad</u>	<u>New Service</u>	<u>Between Chicago and</u>	<u>Cost</u>
Milwaukee	3 off-peak round trips	Fox Lake	\$ 375,000
Milwaukee	3 off-peak round trips	Elgin	300,000
Burlington	2 off-peak round trips	Aurora	150,000
Rock Island	3 off-peak round trips	Joliet via Suburban Line	270,000
Norfolk and Western	1 peak-hour round trip	Orland Park	255,000 -----
Total for 12 new round trips			\$1,350,000

These new services, involving five of the six counties in the region, will increase off-peak midday headways to approximately one hour or less. In addition, a sum of \$500,000 is included in the budget for further expansion of the rail service

T o t a l

500,000

\$1,850,000
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NEW BUS ROUTES

There are endless miles of streets in the region that do not now have any bus service, and it is not difficult to find some support for new bus routes on most of them. All of which is to say that the following proposals will not satisfy everyone. They have been drawn up in response to the more frequently expressed needs of the area's citizenry; and they have also been measured against certain professional norms and indices of service need.

Suffice it to say for now that these routes represent the RTA's best estimates of where new or expanded service should be deployed at first.

SUMMARY

<u>By County</u>	<u>New or Expanded Routes</u>	<u>Cost</u>
Cook (Chicago)	6	\$ 493,000
Cook (Suburban)	22	2,625,000
DuPage	8	1,074,000
Lake	7	516,000
Kane	7	633,000
Will	9	423,000
McHenry	4	115,000
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Totals	63	\$5,879,000

An additional \$710,000 is being budgeted for new and expanded bus service in areas the Board may later determine are appropriate.

710,000

\$6,589,000
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COOK COUNTY (CHICAGO)

Proposal Chi-1

McCORMICK PLACE

A full service bus line to serve McCormick Place from North Michigan Avenue and the Loop in the North, continuing beyond McCormick Place to make a connection with the ICG. Annual cost--\$100,000.

*Proposal Chi-2, Chi-3

PARK RIDGE

Extend two existing bus routes (CTA No. 68 and No. 90) so they serve and meet in Park Ridge. All trips on both routes will be so extended. Annual cost--\$110,000.

*Proposal Chi-4

O'HARE

Extend CTA's existing Lawrence Avenue bus to the O'Hare air freight terminal, via Schiller Park. Annual cost--\$100,000.

Proposal Chi-5

CTA NO. 11--LINCOLN

Extend to Lincoln Village and Devon Avenue. Annual cost--\$86,000.

Proposal Chi-6

CTA NO. 60--BLUE ISLAND

Extend to Cicero Avenue and connections with the No. 54 and No. 54B routes, as well as the Burlington Northern Railroad. Annual cost--\$97,000.

COOK COUNTY (SUBURBAN)

*Proposal CS-1

O'HARE-EAST CHICAGO HEIGHTS VIA
TINLEY PARK

A major new crosstown route from the southern portion of Cook County that will greatly improve intersuburban mobility. Will also provide access to O'Hare Field. New route will combine two existing routes and expand. Annual cost--\$600,000.

*Proposals so indicated are also represented on maps located in the Appendix.

COOK COUNTY (SUBURBAN) (Continued)

Proposal CS-2

FRANKFORT

A peak hour only feeder service to the ICG Matteson Station from newly developing residential areas in Lincoln Estates and Frankfort. Service approximately every 20 minutes. Annual cost--\$45,000.

Proposal CS-4, CS-5

OAK LAWN

Extend Cicero Avenue service from 63rd Street to 159th Street and increase frequency. Extend Central Avenue service southward to 111th Street from 79th Street. Annual cost--\$146,000.

Proposal CS-6

PARK RIDGE-RIVERSIDE

Modify West Towns No. 6 to provide new service from Park Ridge to Riverside on a 30 minute peak and 60 minute off-peak headway, including improved service to Loyola/Hines Medical Complex along 5th Avenue and Roosevelt Road. See also proposal CS-19. Annual cost--\$47,000.

Proposal CS-7

DES PLAINES

A new local bus system will be deployed in Des Plaines, consisting of four separate loop-routes radiating out of the railroad station into the residential areas. Annual cost--\$261,000.

Proposal CS-8

GLENVIEW, DES PLAINES, O'HARE

This is an increase of frequency and a route improvement on an existing Nortran line. The essentially new route will run from Glenview to O'Hare via Des Plaines on a 30-minute peak and 60-minute base schedule. Annual cost--\$118,000.

*Proposal CS-9

LA GRANGE-SUMMIT

New regional bus route from Archer and 63rd in Summit via Rte. 171 to Ogden, then due west to LaGrange Road. Half-hourly service in the peak period and hourly in the base. Annual cost--\$85,000.

COOK COUNTY (SUBURBAN) (Continued)

- Proposal CS-10 LA GRANGE-O'HARE
New regional crosstown route from
LaGrange to O'Hare via Mannheim.
Half-hourly in the peak and hourly
in the base.
Annual cost--\$210,000.
- Proposal CS-11 EVANSTON-SCHAUMBURG
New feeder and regional bus service
between Evanston and Schaumburg via
Old Orchard and Golf Mill. Frequency
will be 30 minutes in peak and 60
minutes midday.
Annual cost--\$141,000.
- *Proposal CS-12, CS-13,
CS-14 NORTHBROOK, WHEELING, BUFFALO GROVE,
MT. PROSPECT
Three new peak hour feeder lines will
be operated in this area. One will
feed the Milwaukee Road, Northbrook
Station, from Wheeling via Dundee
Road. A second will feed the CNW,
Arlington Heights Station, from
Buffalo Grove, chiefly via Arlington
Heights Road. The third will feed
the CNW Cumberland Station from
Dempster and Wolf.
Annual cost--\$140,000.
- Proposal CS-15 PARK RIDGE
Three new full service routes are
proposed to substitute for existing
pattern of essentially peak-hour only
Nortran routes. The three routes will
radiate from the center of Park Ridge
and serve the major residential areas.
Annual cost--\$236,000.
- Proposals CS-16, CS-17 HAZEL CREST-COUNTRY CLUB HILLS
Feeder route from Hazel Crest to
Calumet station via 183rd Street dur-
ing peak hours and to Homewood during
base period.
Annual cost--\$44,000.
- Proposal CS-18 SAUK VILLAGE
Extend existing South Suburban Safeway
Route H from East Chicago Heights to
Sauk Village at all hours.
Annual cost--\$220,000.

COOK COUNTY (SUBURBAN) (Continued)

Proposal CS-19

HILLSIDE-BROADVIEW-FOREST PARK
Upgrade service frequency on West
Towns Rte. No. 1 between Forest Park
and Hillside Shopping Center via
Loyola/Madden Medical Center to
20 minutes in the peak and 30 minutes
in the base.
Annual cost--\$105,000.

*Proposal CS-20

McCOOK
This proposal calls for combining
two existing routes of West Towns
(i.e., No. 12 and No. 16) and extending
the "new" route to the Electro-Motive
plant in McCook. Also, service will
be upgraded to 30 minutes in the peak
and 60 minutes in the base.
Annual cost--\$110,000.

Proposal CS-21

STREAMWOOD-HANOVER PARK
A new feeder bus route from Streamwood
to the Hanover Park Railroad Station
will run during peak and off-peak
periods.
Annual cost--\$40,000.

Proposal CS-22

HOFFMAN ESTATES-ROSELLE
New feeder service from Hoffman Estates
and Schaumburg to Roselle. Peak hours
only.
Annual cost--\$57,000.

Proposal CS-23

PALOS HILLS
An extension of existing Suburban
Transit service on the 95th Street
route to serve Moraine Valley
Community College.
Annual cost--\$20,000.

DUPAGE COUNTY

*Proposal D-1

DOWNERS GROVE-ARLINGTON HEIGHTS
This will be a major regional bus route
offering cross-county mobility and
connecting four important railroad lines.
Service will be every hour in the base
period and more frequently in the peak
periods.
Annual cost--\$300,000.

DuPAGE COUNTY (Continued)

*Proposal D-2

MT. PROSPECT-HINSDALE

This will be another major regional bus route very similar in nature to Proposal D-1, except operating more to the east.

Annual cost--\$275,000.

Proposal D-3

WEST CHICAGO

A new seventeen hour, six day dial-a-ride service.

Annual cost--\$125,000.

*Proposal D-4, D-5, D-6

ADDISON-BENSENVILLE

Three new weekday peak hour railroad feeder routes. One will operate from the CNW Lombard Station via Main Street to Lombard Road and Army Trail. A second will operate from Itasca Station of the Milwaukee Road to the Villa Park Station of the CNW via Irving Park, Mill Road, Grace Street, North Avenue and Addison. The third will feed the Villa Park Station via Addison Avenue from Lake Street.

Annual cost--\$161,000.

Proposal D-7

YORKTOWN

All day Yorktown service from Woodale, combined with improved service on West Towns Rte. 209.

Annual cost--\$118,000.

Proposal D-8

WHEATON-DOWNERS GROVE

A new regional bus route linking Wheaton and Downers Grove via the College of DuPage and Yorktown Shopping Center.

Annual cost--\$95,000.

LAKE COUNTY

Proposal L-2, L-3

MUNDELEIN-LIBERTYVILLE

To supplement existing service additional buses will be operated on a feeder route to the Libertyville Railroad station from Mundelein. During peak hours, the new service will use the existing route, but will operate in a semiexpress fashion; during off-peak hours, the new buses will enable the old route to be expanded into a loop.

Annual cost--\$65,000.

LAKE COUNTY (Continued)

Proposal L-4

WAUKEGAN-ARLINGTON HEIGHTS

A new regional bus route with peak hour headways of about 20 minutes, and off-peak headways of about one hour. Will operate via Libertyville and connect with new bus route (Proposal D-1) in Arlington Heights. Annual cost--\$270,000.

Proposal L-5

ZION

Existing service along Ellijah Avenue will be increased in frequency during both peak and base periods, and also rerouted in both directions via 29th Street, Galilee Avenue, and 21st Street. Annual cost--\$41,000.

Proposal L-6

GURNEE

Existing service from Waukegan via Grand Avenue that now terminates at the County Hospital will be extended during both peak and base hours to Gurnee Industrial Park. Annual cost--\$40,000.

Proposal L-7

LAKE FOREST

Existing service on Nortran Route No. 13 terminates at Sheridan Road south of Green Bay Road. All 19 trips on this route will be extended four miles north, principally via Sheridan Road, to serve Barat College, Lake Forest University, the Lake Forest Railroad Station and Lake Forest High School. Annual cost--\$60,000.

Proposal L-8

ROUND LAKE

New peak hour feeder bus service to the Round Lake Station of the Milwaukee Road will be operated to meet commuter trains. In off-peak hours, will operate from Round Lake Beach to Fox Lake, Grayslake and the College of Lake County, connecting with the new Waukegan-Arlington Heights bus (see Proposal L-4). Annual cost--\$40,000.

KANE COUNTY

There are major rail heads in eastern Kane County. It is proposed that new bus routes be implemented to complement these train services, extending service across Kane County.

*Proposal K-1 Provide half hourly in the peak, and hourly otherwise, service from Aurora to Sugar Grove and Waubensee College.

*Proposal K-2 Provide peak hour service from Elgin to Hampshire and Marengo.

*Proposal K-3 Provide peak hour regional bus service between Crystal Lake and Elgin. This route will connect with all other Fox River Valley services.

Buses will meet certain specific trains during peak periods; new timetables will show the combined RTA service as a single operation. Through fares will be available.

Annual cost--\$250,000.

Proposal K-4, K-5 ELGIN-CARPENTERSVILLE
An existing route from Elgin to West Dundee will be extended through Carpentersville to Rte. 25 and Bolz Road. All 10 daily round trips presently operated will be so extended; in addition during peak hours, an additional bus will be added to this route that will operate in semiexpress fashion to the Elgin Railroad Station. Annual cost--\$260,000.

Proposal K-6 AURORA-ELGIN
Existing level of bus service between Aurora and Elgin will be doubled; new headways will be 30 minutes during peak periods and one hour at other hours. Annual cost--\$73,000.

Proposal K-7 ST. CHARLES
A new feeder service to the Geneva Railroad Station of the CNW will operate on a loop through St. Charles via State, East Side Drive, 7th Avenue, Main Street, 13th Street, Prairie Street, 3rd Street/Andersen Blvd., and State. Service will be approximately hourly all day long. Annual cost--\$50,000.

WILL COUNTY

*Proposal W-1

MONEE

A new peak hour feeder service will operate from Monee via Rte. 50 to the Illinois Central Gulf Railroad Station in Matteson. Service will be coordinated with railroad schedules, and through ticketing will be available. Annual cost--\$25,000.

*Proposal W-2

BRAIDWOOD, WILMINGTON, ELWOOD, JOLIET
A new peak hour feeder service will operate from Braidwood and Wilmington via Rte. 53 to Joliet Union Station. Scheduling will be coordinated with Rock Island and ICG train service, and through ticketing will be available. Annual cost--\$25,000.

Proposal W-3

COUNTRY BUS SERVICE

Based on the British Country Bus concept a new midday service will operate on a semifixed route through all of Will County. The routing will be worked out with local consultation, and can vary from day to day. See also Proposal M-2. Annual cost--\$40,000.

Proposal W-4

DES PLAINES VALLEY

Existing bus service between Chicago and Joliet will be expanded with additional service during both peak and base hours between Joliet and the Douglas Park "L" Station. Hourly service will be maintained in the peak, and service every two hours in the base. Annual cost--\$95,000.

Proposal W-5

JOLIET-DOWNERS GROVE

A new regional bus service serving Crest Hill, Romeoville, Bolingbrook and Lisle. Hourly in the peak, every two hours in the midday period. Annual cost--\$105,000.

Proposal W-6

SOUTH JOLIET

Joliet MTD Route No. 5 will be extended during peak periods only from its present terminal at Midland and Meadow to serve the Caterpillar Plant on Channahon Road. Annual cost--\$12,000.

WILL COUNTY (Continued)

Proposal W-7

SHOREWOOD

Extension of Joliet MTD route westward to Shorewood.

Annual cost--\$28,000.

Proposal W-8

NEW LENOX

Extension of present service on Joliet MTD route eastward via Rte. 30 to New Lenox.

Annual cost--\$28,000.

Proposal W-9

JOLIET

Establish new north-south route in Joliet via Larkin Avenue, Jefferson Street and Houbolt Road to link Joliet Community College and major shopping center.

Annual cost--\$65,000.

McHENRY COUNTY

*Proposal M-1, M-2 and M-3

RAILROAD FEEDER SERVICE

Bus service will be operated to "fill the gaps" in present railroad service between Woodstock and Crystal Lake, and also between McHenry and Crystal Lake. These will be peak hour operations only and will connect with existing CNW trains at Crystal Lake.

Also, new peak hour feeder buses will operate between Marengo and Crystal Lake, and also Marengo and Elgin via Hampshire.

Annual cost--\$75,000.

Proposal M-4

COUNTRY BUS SERVICE

Based on the British Country Bus concept, a new midday service will operate on a loop from Crystal Lake to Marengo to Harvard to Woodstock to McHenry. While basically a fixed route bus, it will be able to deviate from its route, and incorporate other route diversions as needed. This service will be coordinated with a proposed new intra-McHenry county fare program. See also Proposal W-3.

Annual cost--\$40,000.

LEGEND



PROPOSED NEW BUS SERVICE



EXISTING BUS SERVICE



EXISTING RAIL SERVICE



EXISTING RAPID TRANSIT

CNW

PARK RIDGE

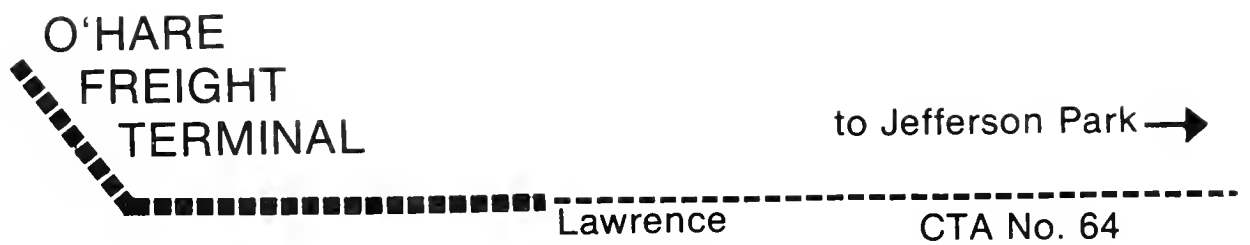
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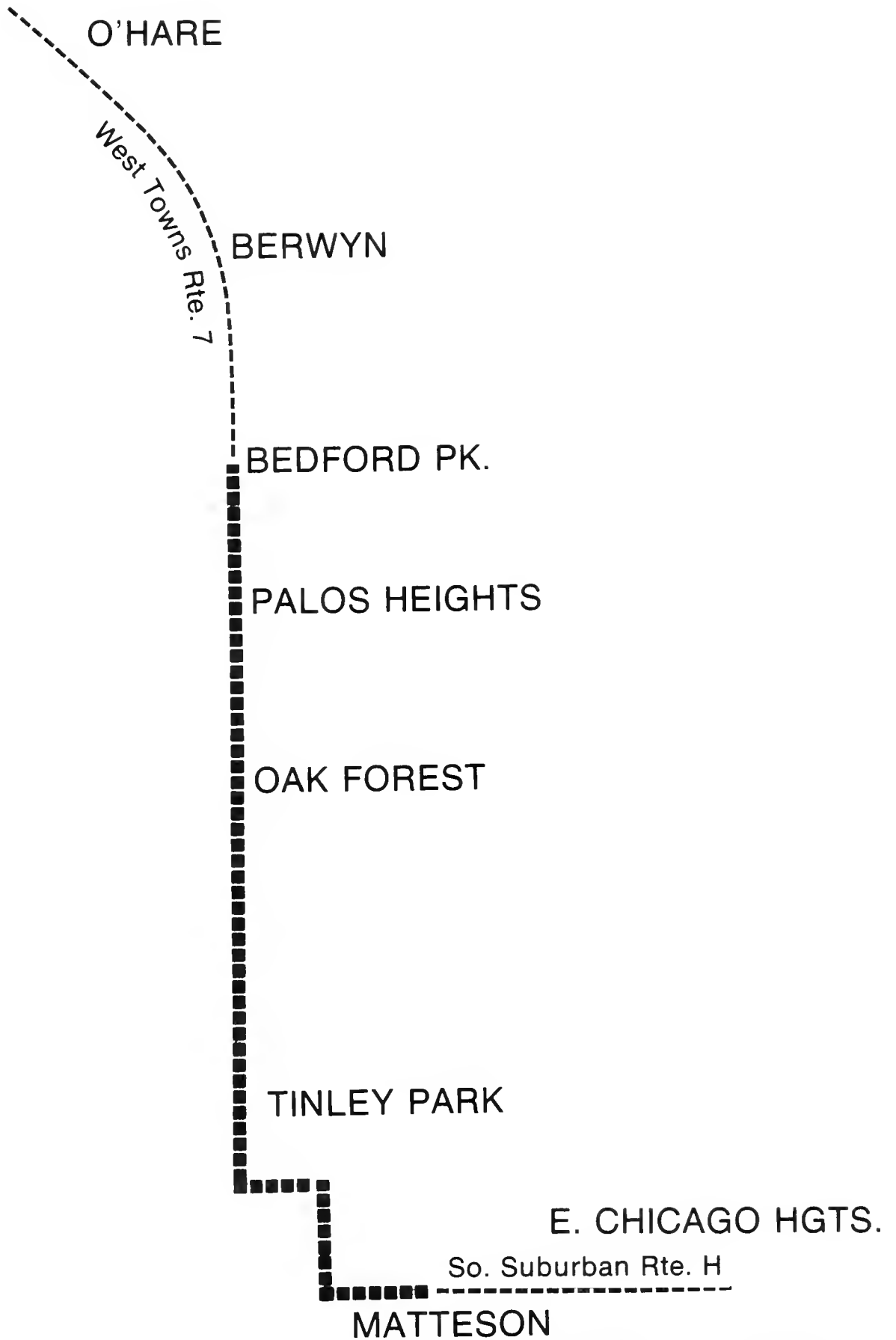
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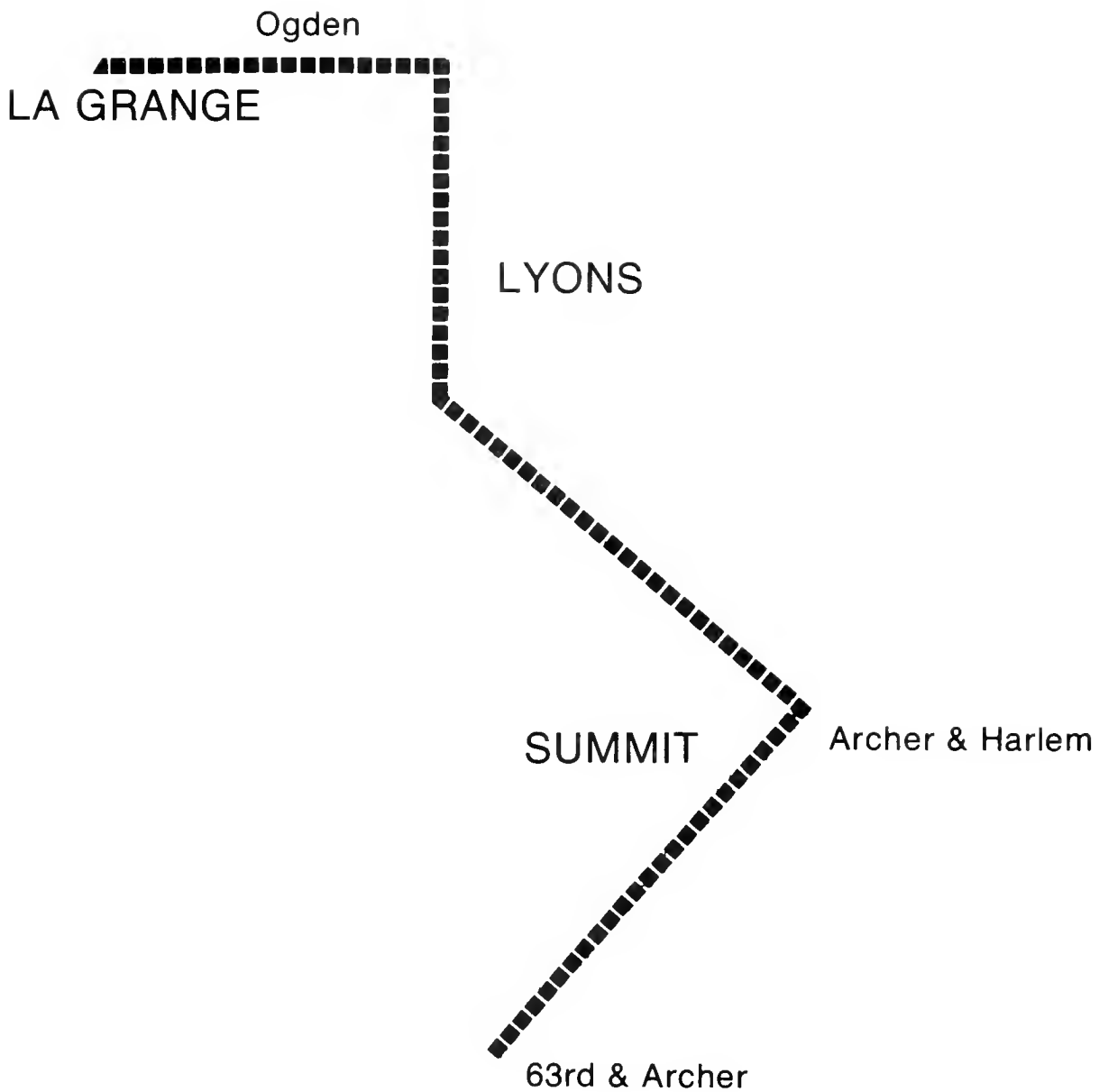
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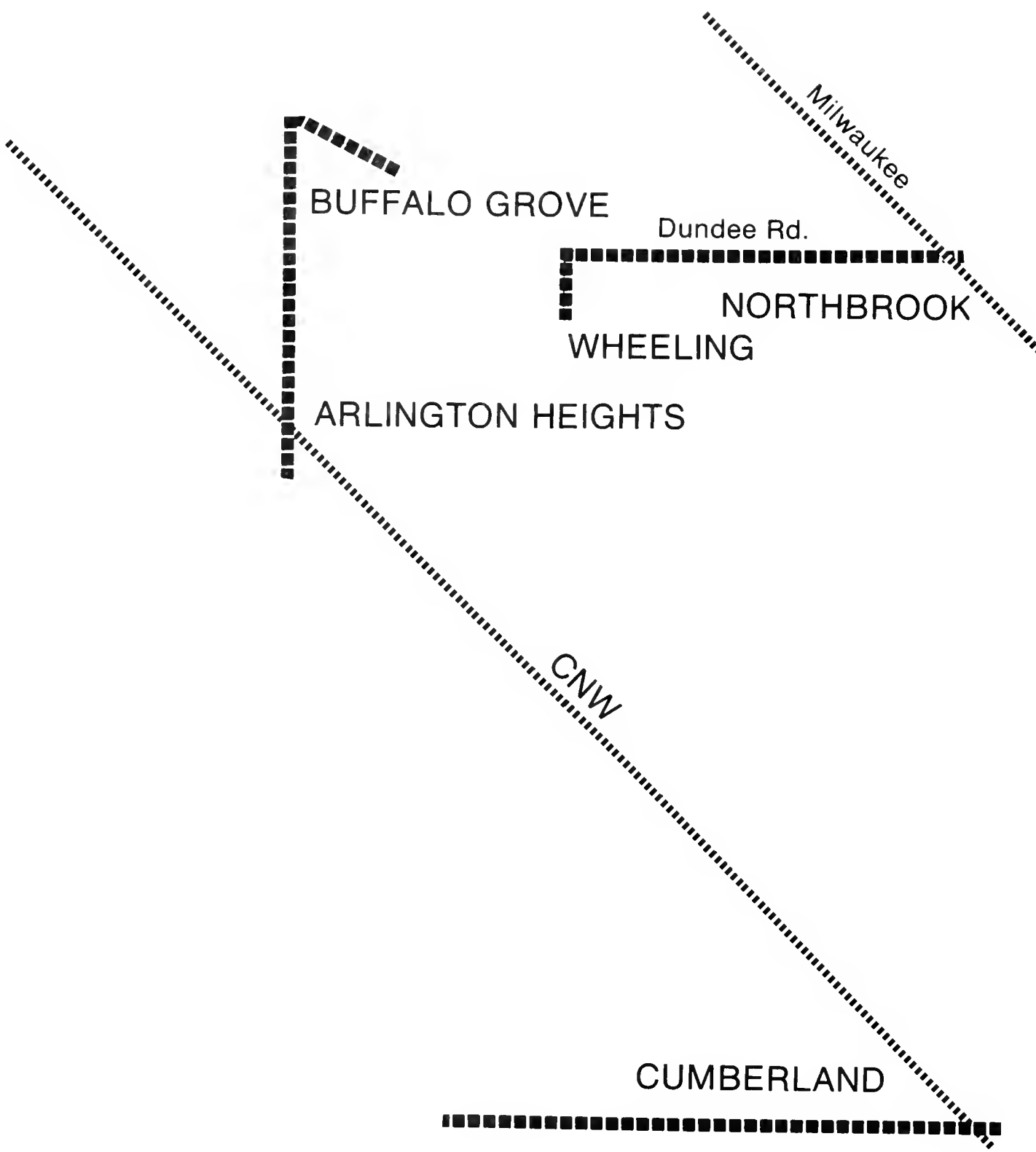
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PROPOSALS Chi-2 and 3

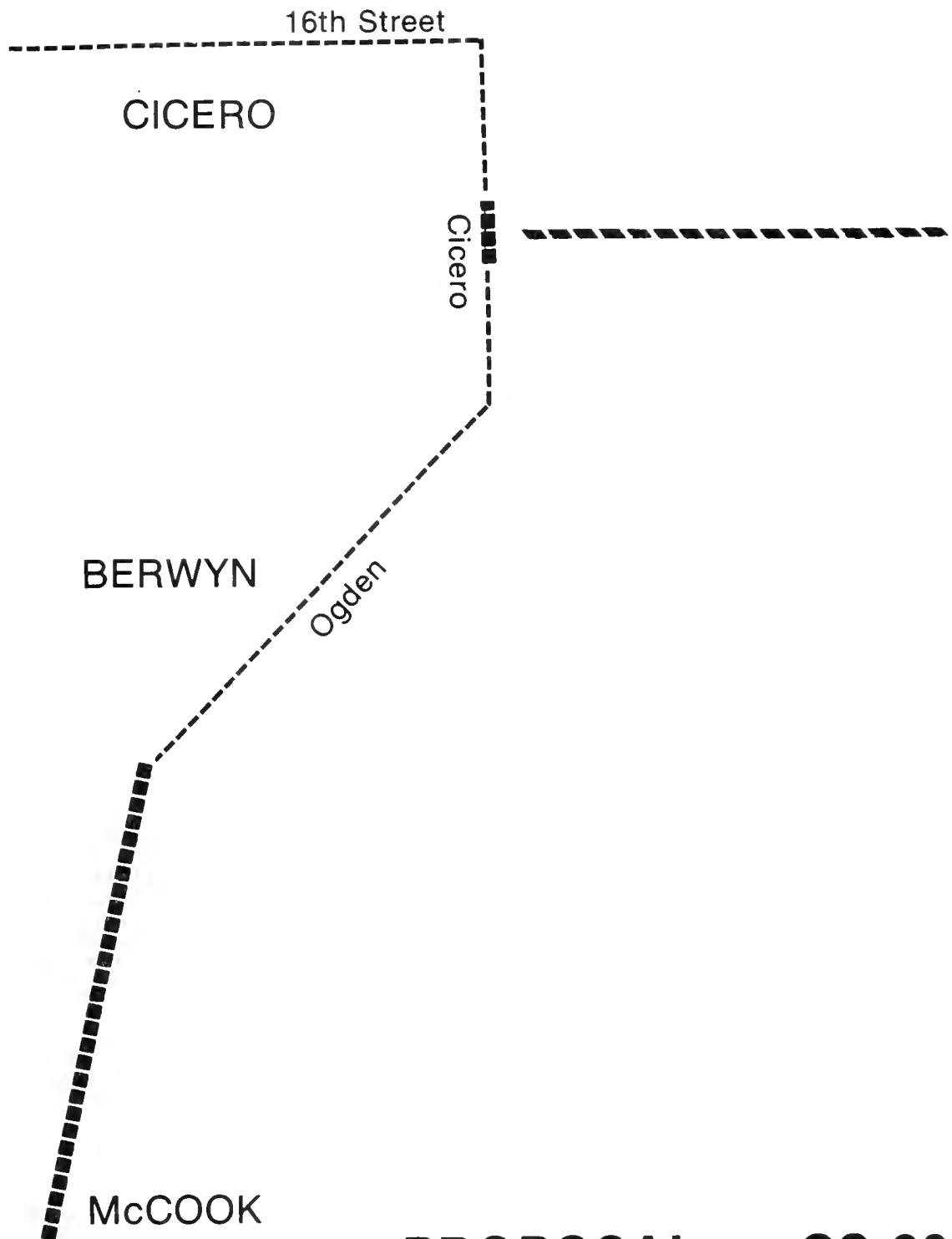




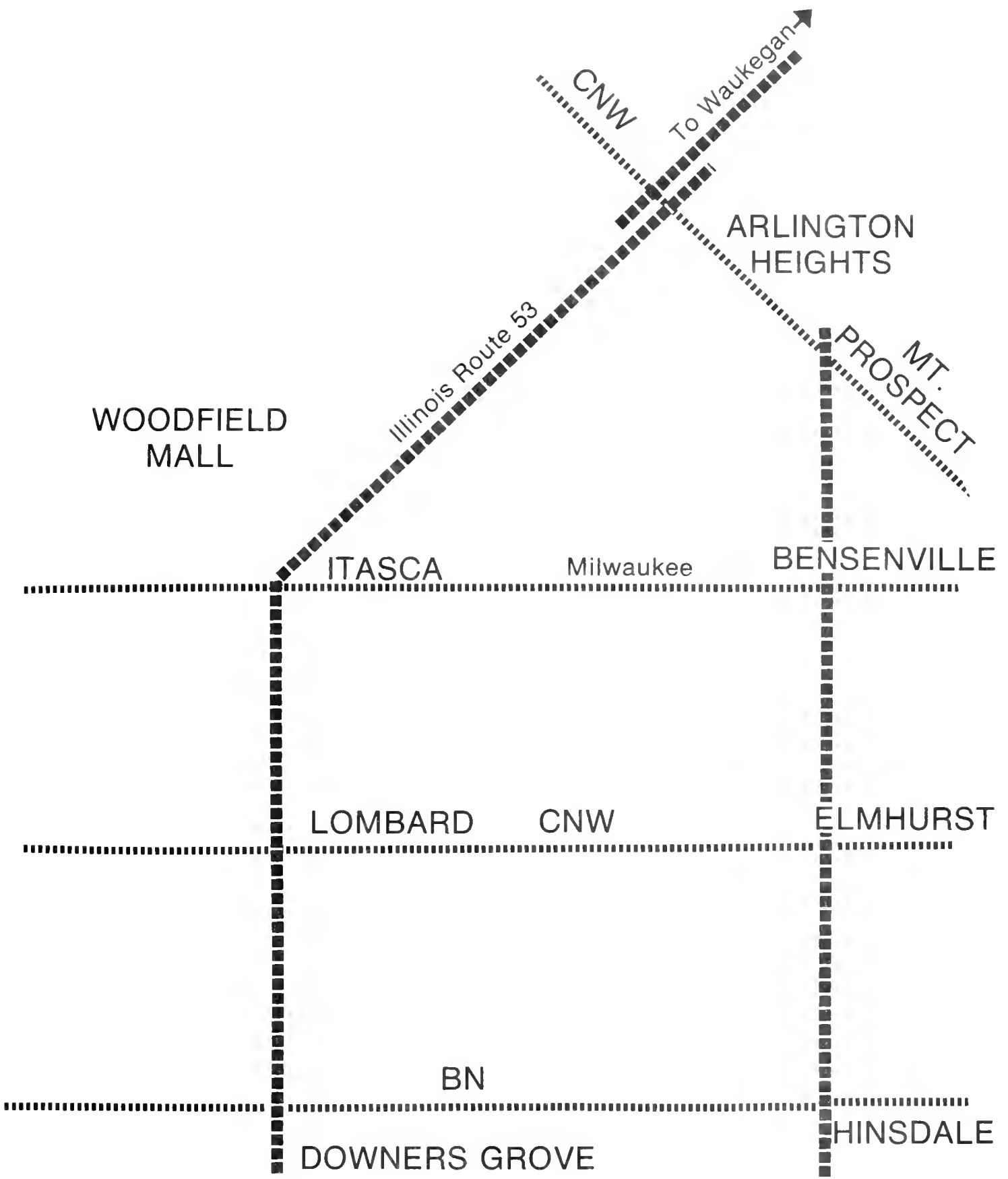


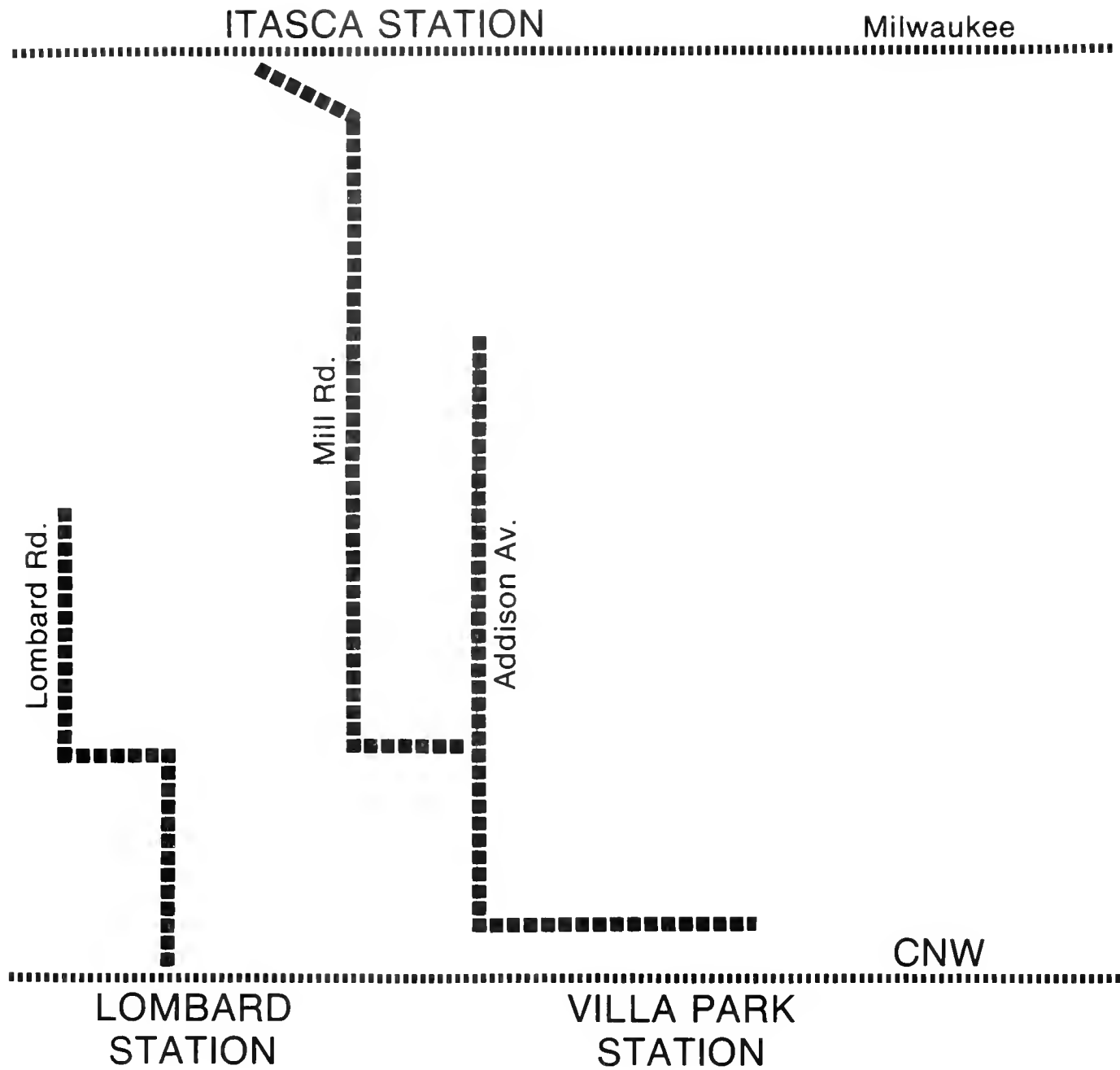


PROPOSALS CS-12, CS-13 and CS-14

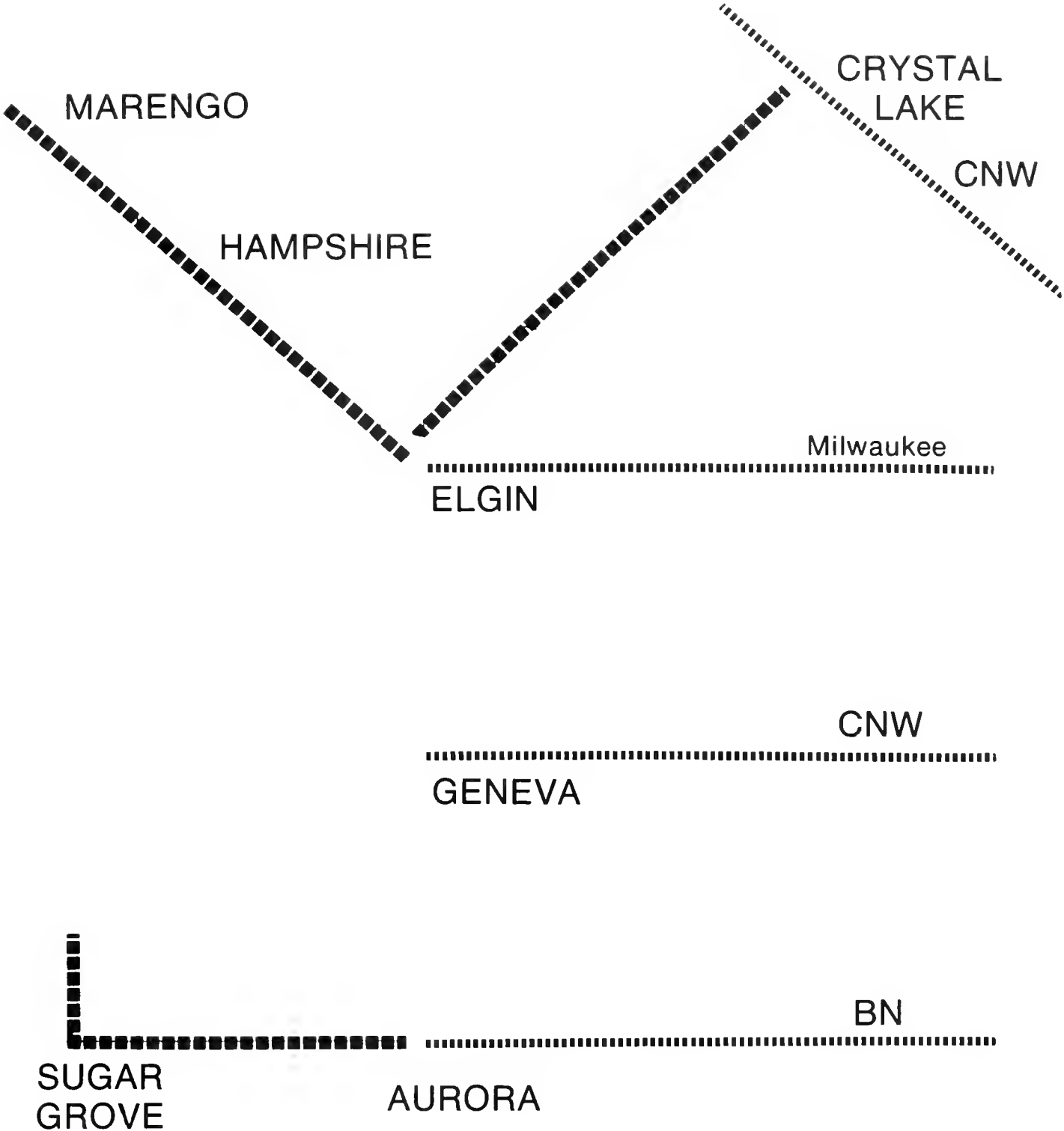


PROPOSAL CS-20

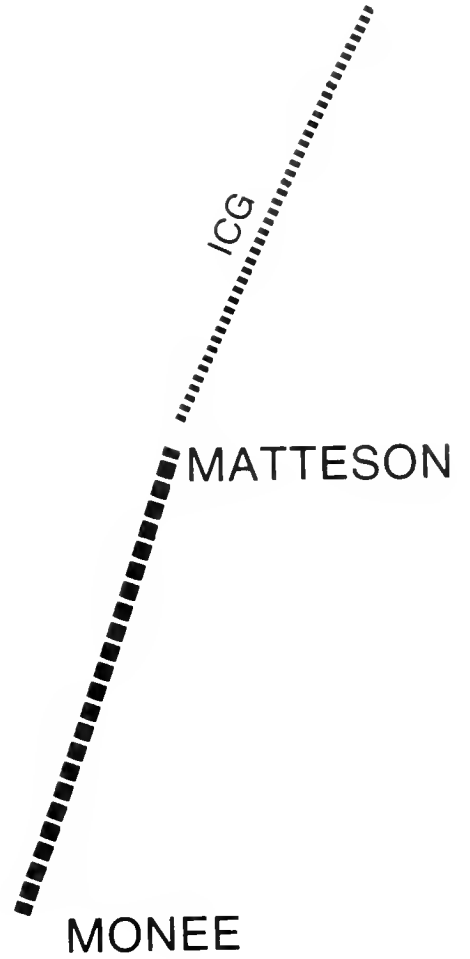
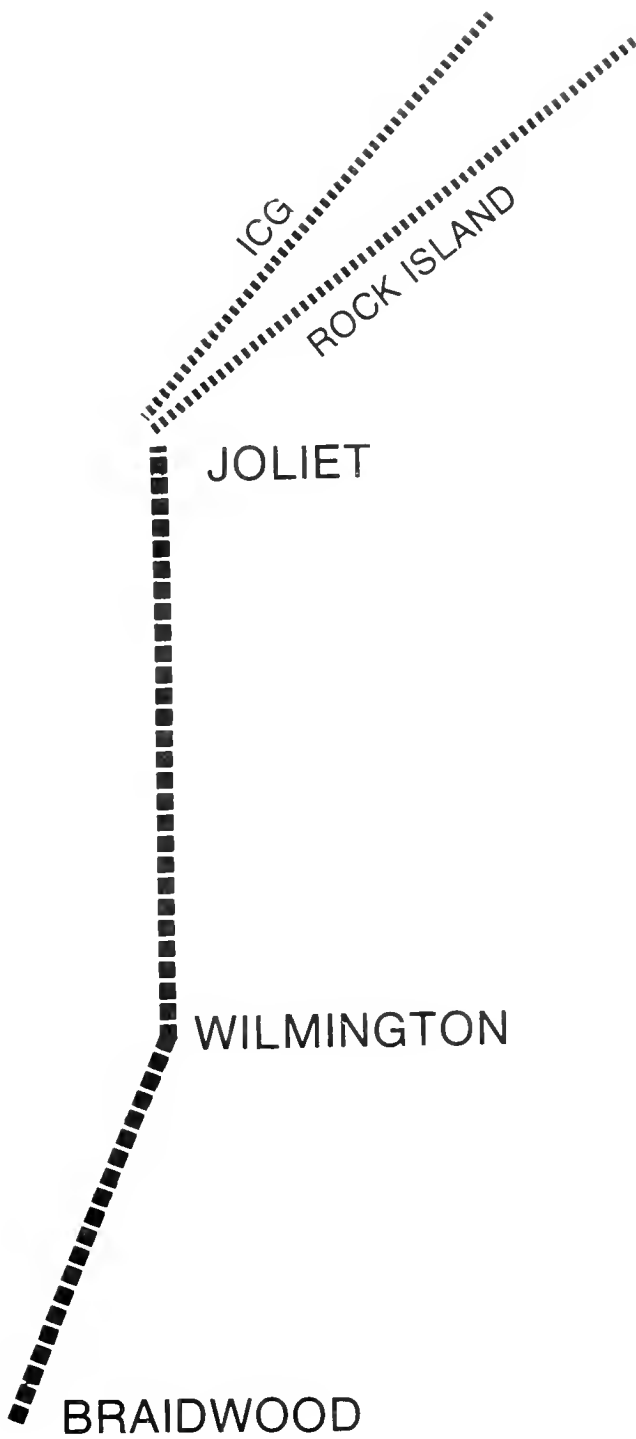




PROPOSALS D-4, D-5 and D-6

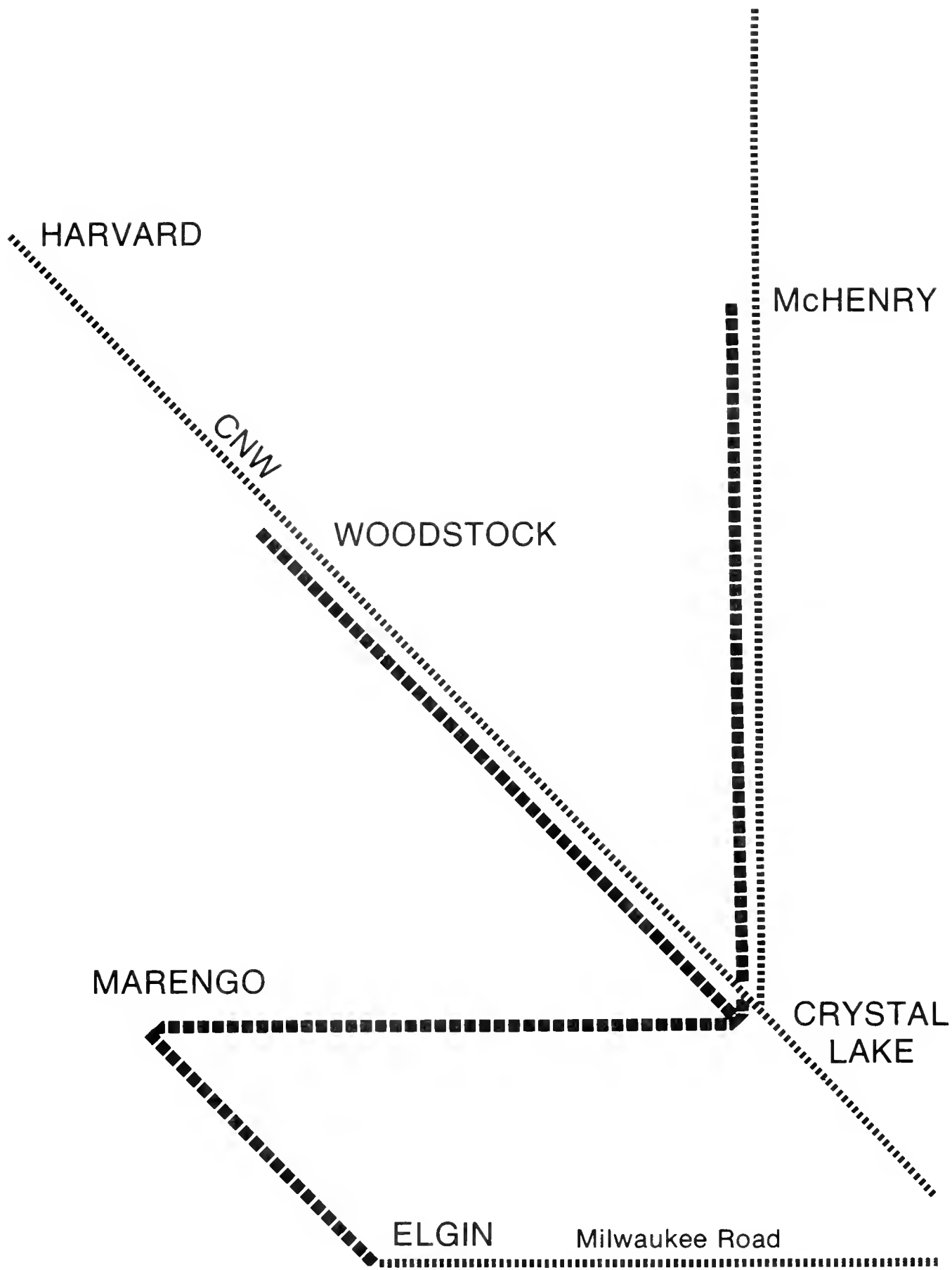


PROPOSALS K-1, K-2 and K-3



PROPOSALS

W-1, W2



PROPOSALS

M-1, 2, 3

NEW SHORT-TERM FACILITIES

In addition to new services, it is important to improve public transportation by the installation of passenger aids at key locations.

Purchase and installation of track work to permit operation of Norfolk and Western and Rock Island passenger trains into Union Station; other improvements to Union Station appropriate to this alteration leading to possible "through routing" of certain suburban trains	\$1,100,000
Purchase and installation of new train announcement system for North Western, Union and Randolph Street stations. Can be installed by February 1, 1976	750,000
Program for installation of new passenger shelters at selected railroad stations. Can be implemented in full by May 1, 1976	1,300,000
Purchase and installation of service announcement system at fifteen selected CTA stations. Can be implemented by February 1, 1976.	600,000
Program for construction of between eight to twelve off-street bus turning facilities at selected suburban locations where environmental impact is negative. Target date--June 1, 1976	500,000

T o t a l	\$4,250,000
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NEW TRANSIT MARKETING PROGRAM

An efficient and useful public transportation system is of value only if people are aware of its existence. What time do the trains run? How much does the bus cost? Where do I get the rapid transit?

To supply these answers, to make residents aware of their transportation services, the RTA proposes a new region-wide marketing program to sell its various services to the public. The principal components will be:

i - New area-wide transit maps	\$ 30,000
ii - Installation of a region-wide toll-free telephone information center	100,000
iii - Promotion of new RTA-sponsored transit services	200,000
iv - Promotion of new RTA incentive fare program	200,000
v - Promotion of existing incentive fare programs	60,000
vi - Production of passenger newsletter	30,000
vii - Development and production of new formats for timetables, etc.	200,000
viii - Design and implementation of new RTA "logo" and vehicle color scheme	50,000
ix - Marketing study of metropolitan area	50,000

	\$920,000
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CAPITAL PROGRAM--FISCAL YEAR 1975

	<u>Total Cost</u>	<u>Federal Share</u>
WEST SUBURBAN MTD(BN)	\$ 15,538,800	\$ 12,431,040
- 20 new commuter cars		
- 4 new locomotives		
CITY OF OAK LAWN	262,750	210,200
- Cost overruns on 20 buses		
CTA IMPROVEMENT PROGRAM	100,000,000	80,000,000
- Cost escalation on 500 buses		
- Purchase 100 additional buses		
- Fueling areas		
- Retrofits, radio		
- Construction of equipment and support facilities designed and engineered in previous grant		
COMMUTER PARKING PHASE I (IDOT)		
- Over 6,000 new and improved parking spaces among the following 19 communities	14,072,667	11,258,134
Arlington Heights	Libertyville	
Barrington	Lisle	
Bartlett	Oak Forest	
Bensenville	Park Forest	
Deerfield	Roselle	
Evanston	Skokie	
Glenview	Tinley Park	
Harvey	Wilmette	
Hanover Park	Wood Dale	
Itasca		
STATE STREET MALL (CITY)	12,473,558	9,978,846
SOUTH SUBURBAN MTD (ICG)	3,400,000	2,720,000
- Parking lot and terminal facilities at end of new line extension to Park Forest South		
CHICAGO URBAN TRANSPORTATION DISTRICT	31,250,000	25,000,000
- Implement engineering and construc- tion phases of downtown subway		
VILLAGE OF NILES	168,165	134,532
- Four mini-buses, shelters and support equipment		

	<u>Total Cost</u>	<u>Federal Share</u>
GREATER LAKE COUNTY MTD	\$ 724,800	\$ 579,840
- Nine buses		
- Service and support equipment		
RTA SUBURBAN BUSES AND SHELTERS	11,879,400	9,517,920
- 147 new buses		
- Over 364 new bus shelters		
RTA ROCK ISLAND IMPROVEMENTS	41,335,850	33,468,680
- 21 new locomotives		
- 51 new bi-level coaches		
Total	----- \$231,605,990 =====	----- \$185,299,192 =====

REGIONAL CAPITAL PROGRAM
FISCAL YEAR 1976 AND BEYOND

It is important beyond belief that the RTA move as vigorously as possible in making vitally needed capital investment in the area's transportation system. If fiscal year 1975's program is fully funded by UMTA, it is critical that the RTA continue to plan for a like level of spending in fiscal year 1976. Such a program would involve a budget of approximately \$188 million, earmarked for projects sanctioned by the Transit Development Program.* This is in addition to any spending by and for CUTD.

As a further matter, the question of the acquisition of private carriers is likely to be raised in fiscal year 1976, placing further demands on the RTA's capital program.

*The Transit Development Program is the official five-year transportation plan for the six-county region. Such a document must be adopted before any Federal assistance can flow to the area. Copies may be examined at the RTA office.

CAPITAL PROGRAM--FISCAL YEAR 1976

	<u>Total Cost</u>	<u>Federal Share</u>
BURLINGTON NORTHERN		
- Dispatching equipment, signalling, track, to maintain high standards of train performance under increased traffic	\$ 11,027,000	\$ 8,821,600
- Passenger public address system	43,000	34,400
- Upgrade and enlarge 14th Street Yard	1,200,000	960,000
	-----	-----
BN total	\$ 12,270,000	\$ 9,816,000
	-----	-----
CHICAGO AND NORTH WESTERN		
- 20 new cars	\$ 7,000,000	\$ 5,600,000
- 20 new locomotives	9,000,000	7,200,000
	-----	-----
C&NW total	\$ 16,000,000	\$ 12,800,000
	-----	-----
CHICAGO SOUTH SHORE & SOUTH BEND		
- Eight new cars (for Illinois portion of service)	\$ 4,400,000	\$ 3,520,000
- New electrical substation--Hegewisch	300,000	240,000
- 230 parking spaces--Hegewisch	150,000	120,000
- Install radio in existing cars for compatibility with ICG radio	66,000	52,800
	-----	-----
CSS&SB total	\$ 4,916,000	\$ 3,932,800
	-----	-----
ILLINOIS CENTRAL GULF		
- Expansion and upgrading of track, signals and train dispatching equipment for high train performance and high train density	\$ 10,900,000	\$ 8,720,000
- Upgrading and expansion of 50 year old electrical propulsion power system	6,900,000	5,520,000
	-----	-----
ICG total	\$ 17,800,000	\$ 14,240,000
	-----	-----
MILWAUKEE ROAD		
- Seven new or rebuilt locomotives	\$ 3,150,000	\$ 2,520,000
- Hampshire extension	1,330,000	1,064,000
- Upgrading and renewal of track	11,000,000	8,800,000
	-----	-----
MILW total	\$ 15,480,000	\$ 12,384,000
	-----	-----

	<u>Total Cost</u>	<u>Federal Share</u>
ROCK ISLAND		
- Physical changes for entry to Union Station in Chicago	\$ 3,700,000	\$ 2,960,000
- Ten locomotives, ten cars	8,200,000	6,560,000
- Track rehabilitation	10,000,000	8,000,000
	-----	-----
RI total	\$ 21,900,000	\$ 17,520,000
	-----	-----
Railroad total	\$ 88,366,000	\$ 70,692,800
	-----	-----
CHICAGO TRANSIT AUTHORITY		
- 300 new buses	\$ 18,000,000	\$ 14,400,000
- 100 new transit cars	35,000,000	28,000,000
	-----	-----
Total	\$ 53,000,000	\$ 42,400,000
	-----	-----
SUBURBAN BUS SERVICE		
- 150 new buses	\$ 8,820,000	\$ 7,056,000
- Bus shelters and turnarounds	2,000,000	1,600,000
- Communications and support	3,000,000	2,400,000
- West Towns garage	500,000	400,000
- Other maintenance facilities	500,000	400,000
	-----	-----
Total	\$ 14,820,000	\$ 11,856,000
	-----	-----
O'HARE EXTENSION		
- Startup and implementation	\$ 20,000,000	\$ 16,000,000
	-----	-----
COMMUTER PARKING PHASE II		
- New and improved parking for the following communities-	\$ 12,000,000	\$ 8,400,000 (70%)
Berwyn	Hinsdale	
Crystal Lake	Lombard	
Des Plaines	Morton Grove	
Downers Grove	Mount Prospect	
Elmwood Park	Naperville	
Elgin	Northbrook	
Fox Lake	River Grove	
Fox River Grove	Richton Park	
Franklin Park	Round Lake	
Grays Lake	Wheaton	
Hanover Park		
(completion from Phase I)		
	-----	-----
Total fiscal year 1976 program exclusive of CUTD	\$188,186,000	\$149,348,800
	=====	=====

THE BUDGET

And now the budget itself. It has been prepared as carefully as possible to show all assumptions used in its preparation. While at present it projects as balanced, this is dependent on so many variables that the true "bottom line" reading for fiscal year 1976 will not be known for some time. The general condition of the national economy, more than any other single factor, will control the RTA's destiny in the upcoming months. An economic upturn will mean a greater yield from tax sources, and higher farebox revenue. A worsening of both inflationary and recessionary trends will cause serious revenue problems for the Authority.

Thankfully, the RTA does have additional taxing powers that can be levied should they be required. Whether or not they will be required, only time will tell.

DISCUSSION MEMORANDUM
FY 1976 BUDGET

INDEX
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This Discussion Memorandum is for discussion purposes
only. All of the amounts and assumptions are subject
to change.

The Tab No. reference for each individual item refers to the section of this Discussion Memorandum which discusses the various assumptions underlying the amounts under the "Incurred Cost Basis" column. The assumptions on the following page set forth the basis of the "Cash Funds Available Basis" amounts.

Assumptions -

- (1) Under "incurred cost basis", the various sources of funds are recognized at the time they are designated as RTA funds, and the uses of funds are recognized at the time an authorized liability is incurred. This basis contrasts with the "cash basis" whereby sources and uses of funds are recognized solely at the time the funds are physically received and/or disbursed.
- (2) The following listed assumptions set forth the basis for each individual item. The overall assumption for this cash basis estimate is that the RTA would maintain a \$5 million balance in funds available at each month end, to the extent such cash funds are available.
- (3) See FY 1975 Carry Forward section of this Memorandum, Tab Number 3.
- (4) Cash and cost basis amounts are the same, as differences between the two methods are assumed to be insignificant.
- (5) Based upon assumed FY 1976 cash flow projection at 6%.
- (6) Cash basis payments represent unpaid FY 1975 funding plus level installment funding of projected FY 1976 grant requests. FY 1976 requests would not be fully funded in FY 1976 under this assumption. Based on these assumptions, \$15.6 million of FY 1976 financial assistance would be disbursed during FY 1977.

- (7) Assumed to be incurred and disbursed on a funds available basis, after providing for all other uses of funds.
- (8) Assumed cash expenditures at the rate of \$600,000 per month.
- (9) Debt service requirements are based on the assumed sale of \$60.0 million of RTA bonds on January 1, 1976, at a 6-7% interest rate plus expenses to issue the bonds.
- (10) It has been assumed the Section 5 funds will be available on an "as required basis." Under this assumption the initial receipt of Section 5 funds would be required no later than August, 1975, and the entire \$50.5 million would be required to be received by June 30, 1976. This is a critical assumption.

SUMMARY BUDGET - FY 1976
=====

PRELIMINARY AND TENTATIVE - SUBJECT TO CHANGE

SOURCE AND USE OF FUNDS - CAPITAL BUDGET

(million)

Sources:

Pending UMTA Section 3 Capital Grant <u>Applications</u> (1)	
UMTA share	\$14.6
State of Illinois share	2.4
RTA share (2)	1.2
RTA Bond Proceeds (2)	<u>-</u>
Total Sources of Funds	<u>\$18.2</u>

Uses:

Suburban Buses and Shelters (1)	\$11.0
Rock Island Equipment (1)	6.3
Acquisition of Transportation Facilities (2)	<u>-</u>
Total Uses of Funds	<u>\$18.2</u>

Refer to following page for
discussion of assumptions
and Part I of this memorandum
for discussion of the complete
capital program.

Assumptions -

- (1) Amounts represent distribution of total grant for bus equipment (\$11.9 million) and 15% of grant for Rock Island equipment (\$41.9 million) to be expended in FY 1976.
- (2) Acquisition of transportation facilities and RTA share of UMTA Section 3 capital grant program may be financed from proceeds of sale of RTA bonds or other sources of revenue.

FY 1975 CARRY FORWARD AMOUNT

<u>Amount</u>	(1) <u>Incurred Cost Basis</u>	(2) Cash Funds Available <u>Basis</u>
	-----million-----	
Cash and investments at April 30, 1975	\$28.9	\$28.9
Revenues:		
State Receipts (3) -		
Sales Tax	28.0	13.8
Motor Vehicle Fees	3.0	1.3
Interest Income	.3	.3
UMTA Section 5 (FY 1975) (4) -		
Chicago area	18.1	-
Joliet/Aurora	.8	-
	----	----
Total Source of Funds	\$79.1 ----	\$44.3 ----
Projected financial assistance to carriers:		
CTA	\$31.8 (5)	\$20.8 (7)
Railroads	6.0 (6)	2.0 (8)
Bus Companies	1.6 (6)	1.0 (9)
RTA operating budget	.5	.5
Debt Repayment to State of Illinois (10)	12.0 ----	12.0 ----
Total Use of Funds	\$51.9 ----	\$36.3 ----
Net FY 1975 Carry Forward	\$27.2 =====	\$ 8.0 =====
Represented by:		
UMTA Section 5 (FY 1975)	\$18.9	\$ -
Other Net Working Capital	8.3 ----	8.0 ----
	\$27.2 =====	\$ 8.0 =====

Refer to following page for discussion of assumptions.

Assumptions -

- (1) Under the "incurred cost basis," the various sources of funds are recognized at the time they are designated as RTA funds, and the uses of funds are recognized at the time an authorized liability is incurred. This basis contrasts with the "cash basis" whereby sources and uses of funds are recognized solely at the time the funds are physically received and/or disbursed.
- (2) The other assumptions listed below set forth the basis for each individual item. The overall assumption for this cash basis estimate is that the RTA would maintain an \$8 million balance in funds available at June 30, 1975.
- (3) State receipts based on projections provided by the State adjusted for \$1.2 million over funding of motor vehicle fee allotment.
- (4) Represents amounts available to RTA area for fiscal year 1975 under the Federal Mass Transportation Assistance Act of 1974. It is assumed no requests will be made for these funds prior to June 30, 1975 and, therefore, no cash will be received.
- (5) The \$31.8 million is based upon an estimated requirement for the six months ended June 30, 1975 of \$46.6 million, reduced by \$14.8 million of financial assistance provided to date.

- (6) Financial assistance to carriers based on projected amounts through June 30, 1975, and present funding policies, which may be subject to change depending on pending negotiations.
- (7) Approximately 65% funding of remaining CTA financial assistance through June 30, 1975.
- (8) \$2.0 million of railroad grant requests have been approved but not yet paid as of April 30, 1975. Assume no other payments during FY 1975.
- (9) Assumes approximately 60% funding of bus company requirements, at present funding levels. \$400 thousand of bus company grant requests have been approved but not yet paid as of April 30, 1975.
- (10) State loan of \$12 million to CTA to be repaid not later than June 30, 1975, per State statutes.

STATE SALES TAX

Amount - \$94.0 million

Assumption - 12% increase from revised FY 1975 projection

Variable Effect - each 1% of increase is equal to \$.84 million

Background -

1. Section 4.09 of the RTA Act provides that 3/32 of the net sales tax collected in RTA counties shall be transferred from the Public Transportation Fund to the RTA.
2. Section 4.01 of the RTA Act provides that by January 1, of each year, the Illinois Bureau of the Budget will submit an estimate of taxes to be allocated from the Public Transportation Fund to RTA during the upcoming fiscal year.
3. Bureau of Budget April 9, 1975 estimate projected \$94.1 million to be allocated to RTA during FY 1976. This projection translates to a 12.3% increase over the FY 1975 projection.

STATE MOTOR VEHICLE FEES

Amount - \$16.0 million

Assumption - 4% increase from revised FY 1975 projection and
FY 1974 actual

Variable Effect - each 1% change in % increase is equal to \$.15 million

Background -

1. Part III of the RTA Act amends "The Illinois Vehicle Code" to provide that \$14 of each annual motor vehicle registration fee and \$7 of each semi-annual motor vehicle registration fee for vehicles registered in the City of Chicago shall be transferred from the Public Transportation Fund to the RTA.
2. Secretary of State March 31, 1975 estimate projected RTA allocations to be \$16.6 million for FY 1975 and \$17.6 million for FY 1976, a 6% increase.
3. Per discussions with Secretary of State during May, 1975, the FY 1975 projection is \$1.2 million too high. The \$1.2 million is expected to be taken out of remaining FY 1975 allocations to the RTA. This results in a revised FY 1975 estimate of \$15.4 million.

CITY OF CHICAGO AND COOK COUNTY

Amount - \$5.0 million

Assumption - Section 4.10 of the RTA Act requires the receipt of at least \$5.0 million as a condition to the RTA providing assistance to the CTA.

FEDERAL FUNDSUMTA Section 5 Funds (\$ million)
(operating or capital purposes)

	<u>Chicago Area</u>	<u>Joliet/ Aurora- Elgin</u>	<u>Total</u>
FY 1975			
Carryover	\$18.1	\$.8	\$18.9
FY 1976			
Apportionment	30.1	1.5	31.6
	<u>\$48.2</u>	<u>\$ 2.3</u>	<u>\$50.5</u>

UMTA Section 3 Funds (\$ million)
(Pending Capital Grant Applications)

	<u>Assumed Source of Funding</u>			
	<u>Total</u>	<u>UMTA Section 3</u>	<u>State of Illinois</u>	<u>RTA Portion</u>
Buses	\$11.9	\$9.5	\$1.6	\$.8
Rock Island Equipment	6.3	5.1	.8	.4
	<u>\$18.2</u>	<u>\$14.6</u>	<u>\$2.4</u>	<u>\$ 1.2</u>

Assumptions -

1. Bus grant request shown at total amount requested as program is assumed to be completed during FY 1976.
2. Rock Island grant request shown at 15% of total amount (\$41.9 million) for engineering and other startup costs.

BOND PROCEEDS

Amount - \$0

Assumption -

The RTA Act allows the issuance of up to \$500.0 million of bonds. For the purposes of this Discussion Memorandum, no bond proceeds or bond proceeds expenditures have been assumed. At this point in time, no definite plans have been formulated for the use of bond proceeds for the acquisition of existing operations or the construction of new facilities as provided for in the RTA Act. As such plans are formulated in the future, funds will then have to be amended into the budget in the appropriate manner. However, as indicated under Tab No. 14, an amount of assumed debt service costs has been reflected in order to provide for the possibility of the issuance of bonds since the operating budget must service any such debt issued.

INTEREST INCOME

Amount - \$.3 million

Assumption -

Income based on \$5.0 million minimum available funds
balance at each month end at approximately 6%.

EXPENDITURES

=====

FINANCIAL ASSISTANCE - CHICAGO TRANSIT AUTHORITY

1. Estimated Requirement - \$112 million
2. Major Assumptions Underlying Estimated Requirement -
 - a. The estimated requirement includes principal and interest on equipment trust certificates and interest on revenue bonds. The requirement excludes provision for depreciation and principal payments on revenue bonds.
 - b. Continuation of downward trend in fare box receipts, though at a reduced rate.
 - c. Continuation of state subsidies for student and senior citizen fare differentials at levels based on current experience.
 - d. Only minor fluctuations in all other revenues.
 - e. Cost of living adjustments to labor will amount to 8% in 1975 and 10% in 1976.
 - f. Increases in other operating expenses (principally due to anticipated effects of inflation) will be offset by a reduction in the provision for injuries and damages.

g. Preliminary estimates prepared by the CTA utilizing other assumptions indicated the FY 1976 results could vary from the projected \$112 million by \$5 to \$10 million.

3. Details of Estimated Requirement -

	<u>1974</u> (actual) (000 omitted)	<u>FY 1976</u> (Projected)
Operating Revenues -		
Fare box	\$171,904	\$161,500
Student and senior citizen fare differential	18,887	20,479
Charter service	992	1,000
All other	3,266	2,948
	<u>\$195,049</u>	<u>\$185,927</u> (1)
Operating Expenses -		
Labor	\$209,988	\$247,030 (2)
Material	9,687	11,973
Fuel	7,629	8,417
Electric power-revenue equipment	4,587	5,110
Provision for injuries and damages	14,582	11,333 (3)
All other	11,147	10,800
	<u>\$257,620</u>	<u>\$294,663</u>
Requirement for Public Funding Purposes, Before Debt Service Requirements	<u>\$ 62,571</u>	<u>\$108,736</u>
Debt Service -		
Equipment trust certificates -		
Principal	\$ 1,530	\$ 1,615
Interest	170	77
Revenue bonds -		
Principal	-	-
Interest	-	1,600 (4)
	<u>\$ 1,700</u>	<u>\$ 3,292</u>
Requirement for Public Funding Purposes	<u>\$ 64,271</u>	<u>\$112,028</u>

Comments -

(1) Estimated decrease in revenues of \$9.1 million

- Overall decrease of approximately 5%.
- Fare box decrease of approximately 6%.

(2) Estimated increase in labor expense of \$37.0 million.

- Annualization of 1974 changes in rates and
manning levels \$18.0
 - Effects of inflation - 8% calendar year
1975 and 10% calendar year 1976 16.0
 - Effects of December, 1975 general wage
increase 3.0
- \$37.0

(3) Based upon 4% of estimated expenses (the rate adopted in January, 1975) versus the 6% rate utilized during 1974.

(4) No assistance provided during 1974 to cover interest on revenue bonds.

4. Variable Effects -

- a. A ± 1% change in revenues would increase (or decrease) the projected requirement for 1976 by approximately \$2 million.
- b. A ± 1% change on the cost of living factor applied to CTA labor would increase (or decrease) the projected requirement by approximately \$2 million.

FINANCIAL ASSISTANCE - RAILROADS

Amount - \$24.0 million

ASSUMPTION -

The financial assistance amount is based on an earlier projection made for the preliminary budget provided to the State of Illinois. The amount of financial assistance is subject to change depending on pending negotiations. Until such time as the purchase of service negotiations become more definite, any refinement of the earlier projection at this time would be highly speculative.

FINANCIAL ASSISTANCE - BUS COMPANIES

Amount - \$4.4 million

Assumptions -

1. Projections for the major companies are based upon discussion with company personnel. All other companies information was derived from 1974 operating data contained in a 1975 RTA application to UMTA. Projections assume static revenues and an increase in operating expenses for these carriers.
2. Operating result amounts were derived from projected revenues of \$8.8 million and expenses of \$14.3 million.
3. Revenues used in projecting operating assistance amounts include approximately \$700,000 of state aid for student and elderly fare reimbursement.
4. 80% funding of operating result amounts.

Variable Effects -

1. A 10% decrease in revenues would increase the financial assistance to \$5.0 million.
2. A 10% increase in expenses would increase the financial assistance to \$5.4 million.
3. A 5% change in funding level would change the financial assistance to \$4.6 million at 85% funding and \$4.1 million at 75% funding.

NEW SERVICES

	<u>Amount</u> (million)
New Incentive Fare Programs	\$ 2.8
Expanded Commuter Railroad Service	1.9
New Bus Routes	6.6
New Short Term Facilities	4.2
New Transit Marketing Programs	<u>.9</u>
TOTAL	<u>\$16.4</u>

Refer to Part I of this memorandum for discussion of
New Services.

RTA OPERATING BUDGET

	<u>Amount</u>
Office Rental	\$ 440,000
Telephone and Utilities (including installation)	200,000
Furniture and Fixtures	280,000
Board Expenses	275,000
Professional Staff Salaries and Fringe Benefits	4,970,000
Recruiting and Related Expenses	25,000
Travel, Professional and Related Expenses	175,000
Postage	20,000
Office Supplies, Equipment Lease and Other Clerical Expenses (including computer time)	20,000
Dues, Subscriptions, Publications, Library and Related Expenses	25,000
Professional and Technical Services (including legal, audit, engineering, financial and other consulting)	950,000
Public Hearings, Public Information and Related Expenses	20,000
Contingencies (including litigation reserve)	<u>300,000</u>
TOTAL	<u>\$7,700,000</u>

RTA DEBT SERVICE

Amount - \$2.6 million

Assumptions - 1. Assumed sale of \$60.0 million of RTA bonds on January 1, 1976, at an assumed interest rate of 6-7% plus expenses to issue bonds.

2. The RTA Act allows the issuance of up to \$500.0 million of bonds. For the purposes of this Discussion Memorandum no bond proceeds or bond proceeds expenditures have been assumed. At this point in time, no definite plans have been formulated for the use of bond proceeds for the acquisition of existing operations or the construction of new facilities as provided for in the RTA Act. As such plans are formulated in the future, funds will then have to be amended into the budget in the appropriate manner. However, as indicated above, an amount of assumed debt service costs has been reflected in order to provide for the possibility of the issuance of bonds since the operating budget must service any such debt issued.

STATE OF ILLINOIS DEBT

Amount - \$7.0 million

Background -

1. Loans from the State of Illinois:

	(\$ million)
CTA	\$29.7
Railroads	4.1
Bus Companies	.9

Total	\$34.7
	=====

2. CTA agreement with State provides for 5 year repayment
in equal installments.

3. Illinois statute requires repayment of loans within 5 years.

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